US EXECUTIVE APPROVAL FORM

KOYO Corporation of USA

New Approvals requested: (new info in BLUE) HOAPP:

- 1. 47% on E-Business Suite (Store + 22%)
- 2. Change license model to 3/7/03 E-Business Suite pricing (old model)
- 3. Approval to license this customer at the division level. KOYO Corp USA is a sub of KOYO Seiko (a Japanese company). The employee counts and minimums have been calculated based on KOYO USA's employees only.
- 4. Seeking approval to allow KOYO USA to provide a letter from a company officer to verify the employee count. This is a publicly traded company but the parent is in Japan and Account team doesn't believe an annual report will work in this case. (Our language in the contract specifically states that an annual report is required for publicly traded companies.)

Tier 1 Request:

- 1. Support cap at 0% for years 2 and 3
- 2. 1-Year price hold at 47% discount

TIER 2 Requests:

1. Expand Customer Definition-Include majority owned subs with Exhibit

Previously Approved Requests on 5-May-2003:

TIER 1 Requests:

1. 55% L&S Discount (ebiz + 35%)

TIER 2/3 Requests:

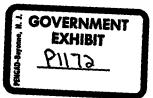
- 2. 1-Year Price Hold for programs ordered at 55% discount
- 3. Year Term OLSA

Deal Summary:

Deal Summary	
Programs	Database, 9iAS, E-Business Suite Applications, Electronic Orders,
License Discount	47 (ebiz + 22%)
Support Discount	47% (ebiz + 22%)
Support Options/Holds	3 years hold @ 0% increase
Price Holds	1 year price hold for programs ordered at 47% discount
List License	\$555,000
List Support	\$122,100
Net License	\$294,150
Net Support	\$ 64,713
Net Total Price	\$358,982
Price List Used	07-March-2003

Justification:

NEW-KOYO continues to evaluate SAP and has gotten proposal for SAP suite of similar product solution of \$ 200K. KOYO prefers Oracle but wants to buy under E_Business Suite model that we originally proposed in early March prior to price model changes. SEE PRICING SPREADSHEET. They have already gotten approval from KOYO Japan (parent company) to negotiate with Oracle if we can offer the 3/7 E-Business suite model. We originally proposed the



3/7 E-Business Suite to them on 3/14 and then switched to Component pricing after 3/24 price change (see original approval below). KOYO USA does not like the component model and prefers the Original Suite model.

If we can get approval for 47% and 3/7 E-business Suite model, we will close this deal with a few days of getting contracts.

KOYO Corp USA is division of KOYO Seiko (Japan), owned by Toyota. Koyo Seiko has been working using SAP for Mfg/OM for several years and recently implemented PeopleSoft for Fin & HR.

KOYO is a tier 1 automotive supplier that would be a critical win in the region and great reference for our strategic direction to win business in this vertical. However, SAP has this same initiative and is pushing very hard for a win here at KOYO USA (Domestic operations).

Koyo USA is evaluating ERP solutions for US rollout. We are competing with SAP and PeopleSoft as the incumbents. Functionally Koyo USA feels we are the superior vendor but we must be competitive on pricing in order justify them going against Corp standards. At the requested discounts we will be 20% higher priced than SAP but KOYO USA feels they can justify this based on SAP's TCO and Oracle product superiority. We have agreed to sign by 5/20 if we can get the pricing approved. There are several other KOYO divisions (Canada, Mexico, South Amer) that also plan to put software in next year thus they want a price hold to allow these other division to add on. This also will help them justify to Japan why Oracle.

Recommendation:

Approve for Q4 only. Then new suite pricing.

Submitted By: Bill Kinderman ASM, John Boucher, AVP.

R: 05/15/03 C: 05/15/03 L: 05/15/03 A: 05/15/03 BP: swong

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